

# News

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## **AVERAGE ANNUAL PAY IN ARIZONA, 1999**

Annual pay in Arizona averaged \$30,525 in 1999, increasing 4.1 percent over the year according to the U.S. Department of Labor's Bureau of Labor Statistics. Regional Commissioner Stanley P. Stephenson noted that Arizona's pay level trailed the national average (\$33,340), but exceeded that for the Mountain division<sup>1</sup> (\$30,093). (See table 1.)

Average pay in the Mountain division grew at a 4.4 percent pace in 1999, on a par with the national rate of gain. Within the division, growth in pay ranged from 6.0 percent in Colorado, fourth highest in the nation, to 2.2 percent in New Mexico, one of the lowest rates among the 50 states. Montana was the only other state in the division with pay growth below 3.0 percent, while Idaho, with a pay gain of 4.7 percent, was the only other state to finish with a top ten ranking nationally. Among the eight Mountain states, Colorado, with a pay averaging \$34,191, was the sole state in the division to exceed the national level and one of only 14 states in the country to do so. In the remaining states, annual pay ranged from \$31,213 in Nevada to \$23,260 in Montana, which had the lowest level in the nation as well as the division. (See table 1.)

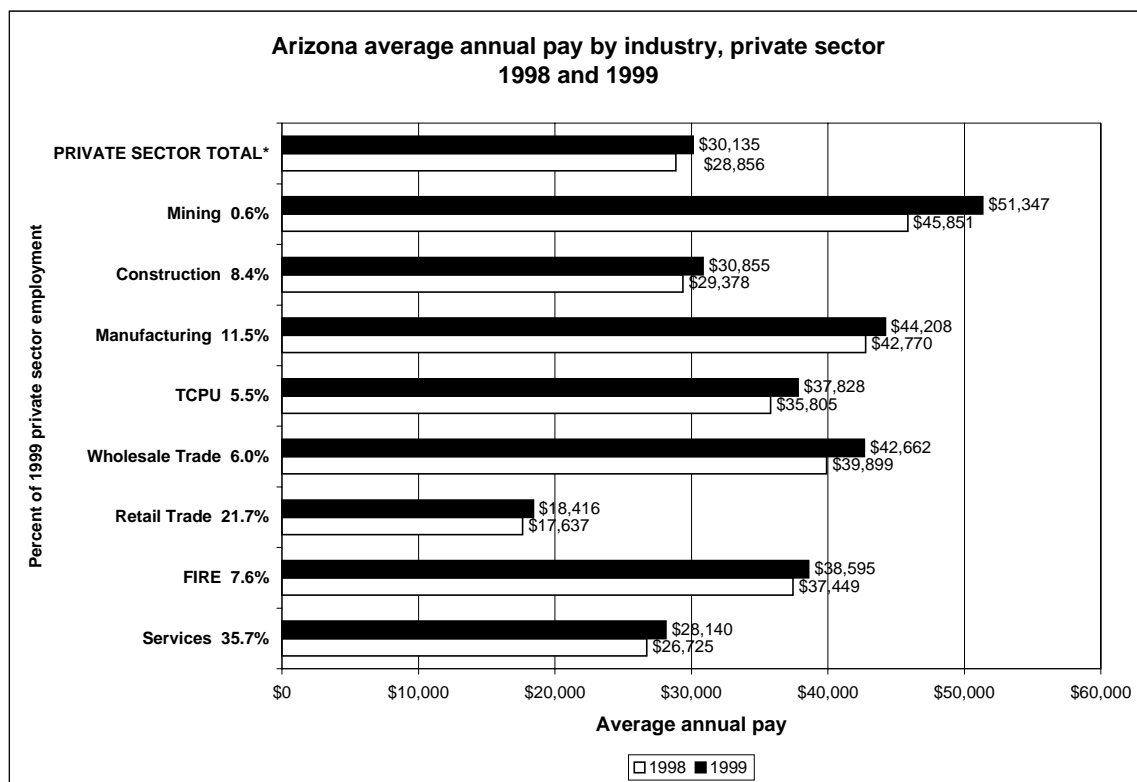
Annual pay data are compiled from reports submitted by employers subject to State and federal Unemployment Insurance (UI) laws which cover 122 million full- and part-time workers nationwide. Average annual pay is computed by dividing total annual payrolls of employees covered by UI programs by the average monthly number of these employees. (See Technical Note.) Pay differences among states reflect the varying composition of employment by occupation, industry, and hours of work, as well as other factors. Similarly, over-the-year pay changes may reflect shifts in these characteristics, as well as changes in the level of average pay.

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<sup>1</sup> The Mountain division referenced in this release corresponds to the Census definition and is comprised of eight states: Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, and Wyoming.

## Pay in industries

Annual pay for private industry workers (excludes those in government) in Arizona averaged \$30,135 in 1999, an increase of 4.4 percent over the year. In comparison, private sector pay grew slightly stronger for the nation as a whole, averaging 4.7 percent. (See table 2.) Of the eight major industry divisions in Arizona, mining reported the highest growth rate over the year at 12.0 percent while wholesale trade had the second highest rate at 6.9 percent. Pay growth in the remaining industry divisions ranged from 5.7 percent in transportation, communications, and public utilities to 3.1 percent in finance, insurance, and real estate. Mining continued to be the highest paid industry in the State at \$51,347, while retail trade, which includes a high percentage of part-time workers, remained the lowest-paid at \$18,416. Statewide pay levels in the private sector were above the nationwide industry average in only two divisions, manufacturing and retail trade. Correspondingly, private industry workers in Arizona made \$3,109 less than the national average of \$33,244. Overall, 86 percent of the State's workforce was employed by private industry with services accounting for over a third of all jobs in this sector.



## Pay in metropolitan areas

Among Arizona's four metropolitan areas<sup>2</sup>, Phoenix-Mesa led the State in pay averaging \$32,431 in 1999, 62<sup>nd</sup> highest among the 316 metropolitan areas nationwide. (See table 3.) Tucson recorded the

<sup>2</sup> Nationwide there are 316 metropolitan areas. The general concept of a metropolitan area is that of a core area containing a large population nucleus, together with adjacent communities that have a high degree of economic and social integration within that core. See technical note for criteria used in determining a metropolitan area.

second highest pay level in Arizona at \$28,203 and ranked 159<sup>th</sup> nationally. Annual pay in Yuma, an area situated close to the Mexican border, averaged \$20,362, lowest in the State and second lowest in the country, ranking 315<sup>th</sup>. None of the metropolitan areas had a pay level above the national metropolitan average of \$34,900.

Of the State's four metropolitan areas, three experienced pay growth of 4.0 percent or less which mirrors the national trend of approximately three-quarters of all metropolitan areas having increases below the nationwide average of 4.4 percent. Tucson's pay gain was the sole exception, increasing 5.4 percent over the year. Flagstaff, Arizona-Utah, with pay growth of 1.7 percent, was lowest in the State and the only area in Arizona with a growth rate under 2.0 percent.

### **Pay in large counties**

Annual pay in Arizona's two large counties<sup>3</sup> averaged \$32,562 in Maricopa County and \$28,203 in Pima County in 1999, both below the nationwide level (\$33,340). Of the two counties, Pima's over-the-year pay gain, at 5.4 percent, exceeded the national rate of growth (4.4 percent), while Maricopa's pay grew at a slower pace, 3.9 percent. (See table 4.)

### **NOTE**

Data presented in this release will differ from that previously published in the three Average Annual Pay releases issued in November and December of 2000. Pay data in this release are no longer preliminary. In addition, data for New Jersey, which was unavailable at the time of the national releases were issued, is now included in all series.

### **TECHNICAL NOTE**

#### **Background**

These data are the product of a federal-state cooperative program in which State Employment Security Agencies (SESAs) prepare summaries of employment and total pay of workers covered by Unemployment Insurance legislation. The summaries are a by-product of the administration of state unemployment insurance (UI) programs that require most employers to pay quarterly taxes based on the employment and wages of workers covered by UI. Data for 1999 are preliminary and subject to revision.

#### **Coverage**

Employment and wage data for workers covered by state UI laws and for federal civilian workers covered by the Unemployment Compensation for Federal Employees (UCFE) program are compiled from quarterly contribution reports submitted to the SESAs by employers. In addition to the quarterly contribution reports, employers who operate multiple establishments within a state complete a questionnaire, called the "Multiple Worksite Report," which provides detailed information on the location and industry of each of their establishments. Average annual pay data are derived from summaries of employment and wages submitted by states to the Bureau of Labor Statistics. These reports are based on place of employment rather than place of residence.

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<sup>3</sup> A large county is defined as having an employment level of at least 75,000; 305 counties in the United States meet this criterion.

UI and UCFE coverage is broad and basically comparable from state to state. In 1999, UI and UCFE programs covered workers in 127.0 million jobs. The estimated 122 million workers in these jobs (after adjustment for multiple jobholders) represent 99 percent of wage and salary civilian employment. Covered workers received \$4.232 trillion in pay, representing 94.7 percent of the wage and salary component of personal income and 45.5 percent of the gross domestic product.

Major exclusions from UI coverage during 1999 included most agricultural workers on small farms, all members of the Armed Forces, elected officials in most states, most employees of railroads, some domestic workers, most student workers at schools, and employees of certain small nonprofit organizations.

### Concepts and methodology

Average annual pay is computed by dividing total annual pay of employees covered by UI programs by the average monthly number of these employees. Included in the annual payroll data are bonuses, the cash value of meals and lodging when supplied, tips and other gratuities, and, in some states, employer contributions to certain deferred compensation plans such as 401(k) plans and stock options. Monthly employment is based on the number of workers who worked during or received pay for the pay period including the 12<sup>th</sup> of the month. With few exceptions, all employees of covered firms are reported, including production and sales workers, corporation officials, executives, supervisory personnel, and clerical workers. Workers on paid vacations and part-time workers also are included. Percentage changes in average annual pay for 1999 were computed using final 1998 data as a base.

The ratio of full-time to part-time workers as well as the number of individuals in high-paying and low-paying occupations affects average annual pay. When comparing average annual pay levels between industries and/or states, these factors should be taken into consideration. Annual pay data only approximate annual earnings, because an individual may not be employed by the same employer all year or may work for more than one employer. Year-to-year changes in average annual pay can result from a change in the proportion of employment in high- and low- wage jobs, as well as from changes in the level of average annual pay.

Data in table 4 are presented separately for the private sector and for government. Average annual pay for employment in the private sector is presented by industry division as defined in the 1987 Standard Industrial Classification Manual. Government data include federal, state, and local establishments.

Each year, a relatively small number of employers provide insufficient information on the nature of their businesses to assign a specific SIC classification and therefore can not be classified by industry division. The wages for these nonclassifiable establishments, along with data for the agricultural division, are not shown separately, but are included in the averages for state and national totals.

The Office of Management and Budget (OMB) defines metropolitan areas for use in federal statistical activities and updates these definitions as needed each summer—data in this release use criteria established in definitions issued June 23, 1998 (OMB Bulletin No. 98-06). The 316 metropolitan areas in the United States are a compilation of a set of areas classified as Metropolitan Statistical Areas (MSAs), Primary Metropolitan Statistical Areas (PMSAs) and Consolidated Metropolitan Statistical Areas (CMSAs). Generally speaking, a MSA consists of one or more counties and meets specified size criteria—either it contains a city of at least 50,000 inhabitants, or it contains an urbanized area of at least 50,000 inhabitants, and has a total population of at least 100,000 (75,000 in New England). A CMSA is a metropolitan area that has a population of at least 1 million and has been divided into two or more PMSAs. The CMSA comprises the same geographic area as its constituent PMSAs which are loosely defined as free-standing areas that have a population of at least 100,000.

County definitions are assigned according to Federal Information Processing Standards Publications (FIPS PUBS) as issued by the National Institute of Standards and Technology, after approval by the Secretary of Commerce pursuant to Section 5131 of the Information Technology Management Reform Act of 1996 and the Computer Security Act of 1987, Public Law 104-106. Areas shown as counties include areas designated as independent cities in some jurisdictions, and, in Alaska, those designated as census areas where counties have not been created.

#### Additional statistics and other information

Additional average annual pay data (or Covered Employment and Wages data) is available on the BLS Internet site at <http://www.bls.gov/cewhome.htm>. Data can be accessed in two ways, through Selective Access, which allows quick access to particular items or via the special request FTP service, which allows access to extensive collection of flat text files. The San Francisco Information Office can provide assistance accessing these files by calling (415) 975-4530.

This news release, along with other BLS statistics and information, is available via the Internet at the BLS World Wide Web site <http://www.bls.gov/ro9news.htm>.

BLS issues an annual report that provides data from state UI and UCFE programs. The comprehensive bulletin, *[Employment and Wages, Annual Averages, 1999](#)*, features information by detailed industry on establishments, employment, and wages for the nation and individually for each state. The report is available for sale from the Bureau of Labor Statistics Publications Sales Center, P.O. Box 2145, Chicago, Illinois 60690. Telephone orders using a credit card (MasterCard, VISA, Discover/NOVUS) or Government Printing Office Deposit Account are accepted at (312) 353-1880 from 8 a.m. to 3 p.m. central time.

For personal assistance or further information on Annual Average Pay data as well as other Bureau programs, contact the [San Francisco Information Office](#) at 415-975-4350 from 9:00 a.m. to 11:30 a.m. and 1:30 p.m. to 4:00 p.m. pacific time.

**Table 1. State average annual pay for 1998 and 1999 and percent change in pay for all covered workers <sup>1</sup>**

	Average annual pay		Percent change, 1998-99
	1998	1999	
UNITED STATES <sup>2</sup> .....	\$31,945	\$33,340	4.4
<b>Mountain division<sup>3</sup></b> .....	<b>28,815</b>	<b>30,093</b>	<b>4.4</b>
Alabama .....	27,042	28,095	3.9
Alaska .....	33,847	34,033	0.5
<b>Arizona</b> .....	<b>29,322</b>	<b>30,525</b>	<b>4.1</b>
Arkansas .....	24,425	25,371	3.9
California .....	35,348	37,577	6.3
<b>Colorado</b> .....	<b>32,248</b>	<b>34,191</b>	<b>6.0</b>
Connecticut .....	40,895	42,682	4.4
Delaware .....	33,969	35,157	3.5
District of Columbia .....	48,462	50,885	5.0
Florida .....	28,184	28,935	2.7
Georgia .....	30,856	32,332	4.8
Hawaii .....	29,036	29,794	2.6
<b>Idaho</b> .....	<b>24,868</b>	<b>26,044</b>	<b>4.7</b>
Illinois .....	34,715	36,296	4.6
Indiana .....	29,108	30,027	3.2
Iowa .....	26,026	26,953	3.6
Kansas .....	26,845	28,031	4.4
Kentucky .....	26,697	27,783	4.1
Louisiana .....	26,910	27,216	1.1
Maine .....	25,875	26,887	3.9
Maryland .....	33,301	34,489	3.6
Massachusetts .....	37,774	40,352	6.8
Michigan .....	34,521	35,750	3.6
Minnesota .....	32,075	33,487	4.4
Mississippi .....	23,822	24,391	2.4
Missouri .....	28,907	29,967	3.7
<b>Montana</b> .....	<b>22,648</b>	<b>23,260</b>	<b>2.7</b>
Nebraska .....	25,539	26,632	4.3
<b>Nevada</b> .....	<b>30,203</b>	<b>31,213</b>	<b>3.3</b>
New Hampshire .....	30,944	32,141	3.9
New Jersey .....	39,516	41,038	3.9
<b>New Mexico</b> .....	<b>25,711</b>	<b>26,267</b>	<b>2.2</b>
New York .....	40,684	42,179	3.7
North Carolina .....	28,176	29,462	4.6
North Dakota .....	22,990	23,751	3.3
Ohio .....	30,392	31,395	3.3
Oklahoma .....	25,122	25,813	2.8
Oregon .....	29,544	30,872	4.5
Pennsylvania .....	31,584	32,696	3.5
Rhode Island .....	30,156	31,169	3.4
South Carolina .....	26,161	27,132	3.7
South Dakota .....	22,751	23,767	4.5
Tennessee .....	28,462	29,478	3.6
Texas .....	31,515	32,898	4.4
<b>Utah</b> .....	<b>26,873</b>	<b>27,895</b>	<b>3.8</b>
Vermont .....	26,611	27,597	3.7
Virginia .....	31,373	33,025	5.3
Washington .....	33,076	35,736	8.0
West Virginia .....	25,276	26,018	2.9
Wisconsin .....	28,531	29,607	3.8
<b>Wyoming</b> .....	<b>24,725</b>	<b>25,647</b>	<b>3.7</b>

<sup>1</sup> Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UCFE) programs.

<sup>2</sup> Totals for the United States do not include data for Puerto Rico.

<sup>3</sup> The 8 states comprising the Mountain division are in bold-face type.

Table 2. State and industry average annual pay in the Mountain States for 1998 and 1999 and percent change in pay for all covered workers<sup>1</sup>

State and industry	Average annual pay		Percent change, 1998-99 <sup>2</sup>
	1998	1999	
United States <sup>3</sup>			
Total Private.....	\$31,762	\$33,244	4.7
Mining.....	52,066	54,636	4.9
Construction.....	33,386	34,812	4.3
Manufacturing.....	40,092	41,941	4.6
Transportation, communications, and public utilities.....	39,345	41,786	6.2
Wholesale trade.....	41,831	44,185	5.6
Retail trade.....	16,810	17,602	4.7
Finance, insurance, and real estate.....	48,641	50,910	4.7
Services.....	30,053	31,509	4.8
Arizona			
Total Private.....	28,856	30,135	4.4
Mining.....	45,851	51,347	12.0
Construction.....	29,378	30,855	5.0
Manufacturing.....	42,770	44,208	3.4
Transportation, communications, and public utilities.....	35,805	37,828	5.7
Wholesale trade.....	39,899	42,662	6.9
Retail trade.....	17,637	18,416	4.4
Finance, insurance, and real estate.....	37,449	38,595	3.1
Services.....	26,725	28,140	5.3
Colorado			
Total Private.....	32,211	34,318	6.5
Mining.....	58,860	67,454	14.6
Construction.....	33,410	34,568	3.5
Manufacturing.....	41,081	43,630	6.2
Transportation, communications, and public utilities.....	46,157	50,957	10.4
Wholesale trade.....	43,224	46,137	6.7
Retail trade.....	17,192	18,142	5.5
Finance, insurance, and real estate.....	42,348	46,450	9.7
Services.....	31,483	33,270	5.7

See footnotes at end of table.

Table 2. State and industry average annual pay in the Mountain States for 1998 and 1999 and percent change in pay for all covered workers<sup>1</sup> (Continued)

State and industry	Average annual pay		Percent change, 1998-99 <sup>2</sup>
	1998	1999	
Idaho			
Total Private.....	\$24,558	\$25,820	5.1
Mining.....	(4)	39,708	(4)
Construction.....	27,174	27,901	2.7
Manufacturing.....	34,218	37,558	9.8
Transportation, communications, and public utilities.....	30,089	30,557	1.6
Wholesale trade.....	28,277	30,027	6.2
Retail trade.....	14,972	15,813	5.6
Finance, insurance, and real estate.....	30,713	31,581	2.8
Services.....	23,626	24,392	3.2
Montana			
Total Private.....	21,688	22,323	2.9
Mining.....	43,751	45,527	4.1
Construction.....	27,959	28,767	2.9
Manufacturing.....	31,217	30,061	-3.7
Transportation, communications, and public utilities.....	30,163	31,728	5.2
Wholesale trade.....	28,014	29,073	3.8
Retail trade.....	13,405	13,980	4.3
Finance, insurance, and real estate.....	28,898	29,889	3.4
Services.....	20,126	20,879	3.7
Nevada			
Total Private.....	29,379	30,381	3.4
Mining.....	52,823	55,740	5.5
Construction.....	37,192	38,591	3.8
Manufacturing.....	34,983	36,122	3.3
Transportation, communications, and public utilities.....	33,475	35,549	6.2
Wholesale trade.....	38,378	40,948	6.7
Retail trade.....	19,091	19,995	4.7
Finance, insurance, and real estate.....	37,081	38,919	5.0
Services.....	28,223	29,103	3.1

See footnotes at end of table.



Table 2. State and industry average annual pay in the Mountain States for 1998 and 1999 and percent change in pay for all covered workers<sup>1</sup> (Continued)

State and industry	Average annual pay		Percent change, 1998-99 <sup>2</sup>
	1998	1999	
New Mexico			
Total Private.....	\$24,689	\$25,286	2.4
Mining.....	41,874	43,523	3.9
Construction.....	25,379	25,740	1.4
Manufacturing.....	34,062	35,166	3.2
Transportation, communications, and public utilities.....	33,027	33,427	1.2
Wholesale trade.....	31,139	32,292	3.7
Retail trade.....	15,105	15,615	3.4
Finance, insurance, and real estate.....	30,457	31,097	2.1
Services.....	25,715	26,336	2.4
Utah			
Total Private.....	26,491	27,588	4.1
Mining.....	46,263	46,137	-0.3
Construction.....	27,207	28,339	4.2
Manufacturing.....	32,480	33,637	3.6
Transportation, communications, and public utilities.....	34,657	36,191	4.4
Wholesale trade.....	35,788	37,496	4.8
Retail trade.....	15,792	16,677	5.6
Finance, insurance, and real estate.....	34,484	34,623	0.4
Services.....	25,563	26,955	5.4

See footnotes at end of table.

Table 2. State and industry average annual pay in the Mountain States for 1998 and 1999 and percent change in pay for all covered workers<sup>1</sup> (Continued)

State and industry	Average annual pay		Percent change, 1998-99 <sup>2</sup>
	1998	1999	
Wyoming			
Total Private.....	\$24,222	\$25,195	4.0
Mining.....	47,672	49,050	2.9
Construction.....	26,842	28,809	7.3
Manufacturing.....	32,212	32,410	0.6
Transportation, communications, and public utilities.....	34,482	36,171	4.9
Wholesale trade.....	30,365	31,620	4.1
Retail trade.....	13,791	14,278	3.5
Finance, insurance, and real estate.....	29,376	34,393	17.1
Services.....	19,410	20,358	4.9

<sup>1</sup> Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UCFE) programs.

<sup>2</sup> Percent changes were computed from unrounded average annual pay data and may differ from those computed using data rounded to the nearest dollar.

<sup>3</sup> Includes data for industries in addition to those shown separately.

<sup>4</sup> Data are not available.

Table 3. Average annual pay for 1998 and 1999 for all covered workers<sup>1</sup> by metropolitan area

Metropolitan area <sup>3</sup>	Average annual pay			Ranking <sup>2</sup> of areas
	1998	1999	Percent change, 1998-99	By level of average annual pay for 1999
All metropolitan areas <sup>4</sup> .....	\$33,423	\$34,900	4.4	---
Metropolitan areas in Arizona				
Flagstaff, AZ-UT.....	23,422	23,821	1.7	290
Phoenix-Mesa, AZ.....	31,197	32,431	4.0	62
Tucson, AZ.....	26,764	28,203	5.4	159
Yuma, AZ.....	19,894	20,362	2.4	315

<sup>1</sup> Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UCFE) programs.

<sup>2</sup> Ranking are based on a comparison of data for 316 metropolitan areas nationwide. Data for metropolitan areas in all 50 states are included in this release. As a result, data here will differ from that previously published in the national release which was issued before data for New Jersey became available.

<sup>3</sup> Includes data for Metropolitan Statistical Areas and Primary Metropolitan Statistical Areas as of June 1998. See Technical Note.

<sup>4</sup> Totals and rankings do not include the six metropolitan areas within Puerto Rico.

Table 4. Employment and average annual pay for 1999 and 1998-99 percent changes for all covered workers<sup>1</sup> in the 2 largest counties in Arizona.

County <sup>2</sup>	Employment			Average annual pay	
	1999	Percent Change, 1998-99	Ranked by percent change, 1998-99 <sup>3</sup>	1999	Percent change, 1998-99
United States <sup>4</sup> .....	127,042,282	2.3	-	\$33,340	4.4
Arizona					
Maricopa, AZ.....	1,494,051	4.4	43	32,562	3.9
Pima, AZ.....	317,406	3.0	101	28,203	5.4

<sup>1</sup> Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UCFE) programs. The 305 largest U.S. counties comprise 70.2% of the total covered workers in the nation. Counties in all 50 states are included. As a result, data here will differ from that previously published in the national release which was issued before New Jersey data became available.

<sup>2</sup> Includes areas not officially designated as counties. See Technical Note.

<sup>3</sup> Rankings for percent change in employment are based on the 288 counties that are comparable over the year.

<sup>4</sup> Totals and rankings for the United States do not include data for the one large county in Puerto Rico.